

U.S. Department of Agriculture  
Rural Utilities Service

**BID BOND**

1. *KNOW ALL MEN that we* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ *as Principal, and*  
\_\_\_\_\_  
*as Surety, are held and firmly bound unto* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ *(hereafter called the "Owner")*  
*in the penal sum of ten percent (10%) of the amount of the bid referred to in paragraph 2 below, but not to exceed*  
*dollars (\$* \_\_\_\_\_ *as hereinafter set forth and for the payment of which sum well and*  
*truly to be made we bind ourselves, our executors, administrators, successors and assigns, jointly and*  
*severally, by these presents;*
2. *WHEREAS, the Principal has submitted a bid to the Owner for the construction of the Rural Utilities Service*  
*Project known as Project* \_\_\_\_\_.
3. *NOW, THEREFORE, the condition of this obligation is such that if the Owner shall accept the bid of the*  
*Principal, and*
- (a) *the Principal shall execute such contract documents, if any, as may be required by the terms of the bid*  
*and give such Contractor's Bond or Bonds for the performance of the contract and for the prompt*  
*payment of labor and material furnished for the Project as may be specified in the bid, or*
- (b) *in the event of the failure of the Principal to execute such contract documents, if any, and give such*  
*Contractor's Bond or Bonds, if the Principal shall pay to the Owner the difference, not to exceed the*  
*penal sum hereof, between the amount specified in the bid and such larger amount for which the Owner*  
*may in good faith contract with another party to construct the Project, then this obligation shall be*  
*void, otherwise to remain in full force and effect.*

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed and their  
respective corporate seals to be affixed and attested by their duly authorized representatives this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
PRINCIPAL (Seal)

Attest: BY \_\_\_\_\_

\_\_\_\_\_  
SECRETARY TITLE  
\_\_\_\_\_  
SURETY (Seal)

Attest BY \_\_\_\_\_

\_\_\_\_\_  
SECRETARY TITLE